

PUBLIC SAFETY AND CRIMINAL JUSTICE COMMITTEE

DATE: September 13, 2004

CALLED TO ORDER: 4:18 p.m.

ADJOURNED: 5:16 p.m.

ATTENDANCE

Attending Members

Mary Moriarty Adams, Chairwoman
Sherron Franklin
Lynn McWhirter
William Oliver
Lincoln Plowman
Scott Schneider
Steve Talley

Absent Members

AGENDA

BUDGET HEARING

Review and Analysis

PROPOSAL NO. 453, 2004 adopts the annual budget of the Police Special Service District for 2005 appropriating \$135,264,924 and levying property taxes to fund such budget

PROPOSAL NO. 461, 2004 adopts the annual budget for 2005 for certain constitutional officers, administrative offices and agencies of Marion County appropriating \$71,055,696

PROPOSAL NO. 462, 2004 adopts the annual budget for 2005 for certain Marion County law enforcement and correction agencies appropriating \$93,813,853

PROPOSAL NO. 465, 2004 allocates certain miscellaneous revenues of the Consolidated City and Marion County to respective funds

PROPOSAL NO. 466, 2004 determines the tax levy for 2005 for each fund of the Consolidated City and Marion County

PUBLIC SAFETY AND CRIMINAL JUSTICE COMMITTEE

The Public Safety and Criminal Justice Committee of the City-County Council met on Monday, September 13, 2004. Chairwoman Mary Moriarty Adams called the meeting to order at 4:18 p.m., with the following members present: Sherron Franklin, Lynn McWhirter, William Oliver, Lincoln Plowman, Scott Schneider and Steve Talley. Representing Council Staff was Kent Burrow, Chief Financial Officer.

PROPOSAL NO. 453, 2004 adopts the annual budget of the Police Special Service District for 2005 appropriating \$135,264,924 and levying property taxes to fund such budget

Chairwoman Moriarty Adams said Proposal 453, 2004 was actually discussed and adopted at the September 8, 2004 committee meeting and she would seek a motion to strike Proposal 453, 2004 from the agenda.

Councillor Talley moved, seconded by Councillor Oliver, to remove Proposal 453, 2004 from the committee agenda, as it already has a report from the committee. The motion carried by a vote of 7-0.

PROPOSAL NO. 461, 2004 adopts the annual budget for 2005 for certain constitutional officers, administrative offices and agencies of Marion County appropriating \$71,055,696

Mr. Burrow said the amendment to Proposal No. 461, 2004 (Exhibit A), shows the changes of increased funding to the County Coroner's budget in the amount of \$2,015,865.

Councillor Schneider asked if the funding for the County Coroner's budget discussed in the past committee meeting is the same as the amendment for Proposal No. 461, 2004. Mr. Burrow replied in the affirmative. Councillor Schneider asked if the Coroner's budget appears under a different proposal number. Mr. Burrow replied in the affirmative and said the Coroner is a constitutional officer in Proposal No. 461, 2004 and the remaining law enforcement budget is in Proposal No. 462, 2004.

John McGoff, Marion County Coroner, thanked the committee members for their consideration and said this additional funding will fund them throughout the 2005 budget cycle.

Councillor Talley moved, seconded by Councillor Oliver, to amend Proposal No. 461, 2004 as per Exhibit A. The motion carried by a vote of 7-0.

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[Clerk's note: Exhibit A can be found with the original set of minutes in the Council office]

Dan Jones, Deputy Auditor, asked about the difference in figures in the amendment and spreadsheet. Mr. Burrow said the figure in Exhibit A is correct and the number on the spreadsheet is \$600.00 off and an adjustment will be made.

Chairwoman Moriarty Adams asked if they are approving the amount of \$176,010. Mr. Burrow replied in the affirmative.

Councillor Schneider asked what Proposal No. 461, 2004 encumbers. Mr. Jones said in years past the Corner's budget was heard by the Administration and Finance Committee. Three years ago the Coroner's budget was transferred to the Public Safety and Criminal Justice Committee, because it seemed more appropriate.

Councillor Talley moved, seconded by Councillor Oliver, to send Proposal No.461, 2004, to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 7-0.

PROPOSAL NO. 462, 2004 adopts the annual budget for 2005 for certain Marion County law enforcement and correction agencies appropriating \$93,813,853

Mr. Burrow said he would like to introduce an amendment to Proposal No. 462, 2004 (Exhibit 1B) regarding the funding of the Marion County Sheriff's Department (MCSD). He used a spreadsheet to explain (Exhibit 2B). The Sheriff's Savings Plan is reduced in the amount of \$1,652,289 in the County General Fund and \$880,000 in the Marion County Cumulative Capital Development Fund, for a total reduction in the MCSD's proposed budget of \$2,532,289. The Council appropriations and various credits and delayed payments will provide a total equal to the Sheriff's revised request. Mr. Burrow said the Council reached the requested budget amount by using appropriations of \$87,869,525 from the County General Fund and by using Civil Service fees of \$1,500,000 that will be collected by the MCSD, and Information Services Agency (ISA) credit to the MCSD, and credits and delayed payments to the Building Authority and delayed payment to Wishard Hospital.

Councillor McWhirter asked what the result will be in delaying payment to Wishard Hospital. Mr. Burrow said Wishard Hospital has informed them that they receive most of their federal funds in October of each year and have a cash operating balance through December. He said the MSCD anticipates delaying the payment no longer than the first quarter of 2006. Councillor McWhirter asked where MCSD plans to get the anticipated delayed payment funds. Mr. Burrow said the funds will come by savings realized by the reorganization of the City and County government, assessed valuation increases, and the anticipated increase in the County Option Income Tax (COIT) and property tax rate.

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Councillor McWhirter said they are basing a lot of things on money they hope will be generated.

Chairwoman Moriarty Adams asked if they have delayed payments to the Building Authority in the past. Mr. Jones said in 1994 there was a fiscal crisis and MCSD restructured their payments to the Building Authority with a six-month delay.

Councillor Schneider asked what the increase in the MCSD's budget is. Mr. Burrow said the increase amount related to the Council appropriation is \$7,400,000, the additional 2005 appropriations from the Civil Service Fee is \$1,500,000, and the ISA credit is \$500,000, for a total of \$9,400,000. He said the credits and delayed payment is \$2,020,788, bringing the total increase to \$11,420,788, above the budget submitted by the Auditor but still below the original request from MCSD. Councillor Schneider asked if needed is there any reserve funds that can be withdrawn from. Mr. Burrow said the Building Authority has a reserve fund balance and will be able to withstand delayed payment.

Councillor Plowman said that he is disappointed with leadership for agreeing to delay payments to agencies. He said due to employment issues, he will be abstaining from the vote on Proposal No. 462, 2004.

Chief Talley Sanders, of the Executive Division of the MCSD, said that Sheriff Frank Anderson fully supports the revised budget and is concerned for the community and his staff. She said all top administrators were directed to tighten their belts as much as possible.

Councillor Talley moved, seconded by Councillor Oliver to amend Proposal 462, 2004 as per Exhibit 1B. The motion carried by a vote of 5-1-1, with Councillor Schneider casting the negative vote and Councillor Plowman abstaining.

Councillor Talley moved, seconded by Councillor Oliver to send Proposal No. 462, 2004, to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 5-1-1, with Councillor Schneider casting the negative vote and Councillor Plowman abstaining.

[Clerk's note: Exhibits B can be found with the original set of minutes in the Council office]

PROPOSAL NO. 465, 2004 allocates certain miscellaneous revenues of the Consolidated City and Marion County to respective funds

Mr. Burrow explained the first amendment to Proposal No. 465, 2004 (Exhibit 1C) will transfer gas tax revenue from the Transportation General Fund to the Marion County General Fund in the amount of \$1,263,000 to assist with funding of public safety

priorities and the MCSO. Due to this transaction, the Marion County General Fund will show an increase in fund balance.

Councillor Talley moved, seconded by Councillor Oliver, to amend Proposal No. 465, 2004 as per Exhibit 1C. The motion carried by a vote of 7-0.

Mr. Burrow said the second amendment to Proposal No. 465, 2004 (Exhibit 2C) transfers funds to the Marion County General Fund from the Consolidated County Fund in the amount of \$1 million, in addition there is a transfer in the County General Fund – Law Enforcement in the amount of \$1 million (Exhibit 1C, page 3).

Councillor Talley moved, seconded by Councillor Oliver, to amend Proposal No. 465, 2004 as per Exhibit 2C and Exhibit 1C (page 3). The motion carried by a vote of 7-0.

Mr. Burrow stated there was an additional amendment (Exhibit 3C) related to a technical correction to Proposal No. 465, 2004 found on page 23 of such proposal. He said in the next amendment to Proposal No. 466, 2004 there will be additional funds transferred to the County General Fund. He explained in Exhibit 3C, the figure \$90,377 will be revised to \$30,982. The \$597,110 in the Vehicle License Excise Tax will be revised to \$225,649 and the Commercial Vehicle Excise Tax (CVET) will be reduced from \$66,161 to \$24,367. There will also be a transfer from the Marion County General Fund in the amount of \$377,000; this was discussed, as well as the \$425,000 from the sale of vehicles (which will remain the same). The transfer from the City of Indianapolis will be eliminated from that amount, and the remaining amount will be \$1,082,639.

Councillor Talley moved, seconded by Councillor Oliver, to amend Proposal No. 465, 2004 as per Exhibit 3C. The motion carried by a vote of 7-0.

Councillor McWhirter asked for clarification on Exhibit 3C. Mr. Burrow said the reason for amending the Marion County Cumulative Capital Development Fund in regard to miscellaneous revenues is related to the Sheriff's funding.

Councillor Schneider asked for clarification of funds being transferred. Mr. Burrow said there is a reduction in appropriations in expenditures from the County Cumulative Capital Development Fund. Due to this, the tax rate has also been reduced, and when the tax rate is reduced the amount of property tax and miscellaneous revenues are also reduced. He explained it is a change in tax rate. Councillor Schneider asked what is funded by the Cumulative Capital Development Fund. Mr. Burrow responded that part of it is used to pay for the Sheriff's purchase of fleet vehicles. Mr. Jones said it is also used for debt services at the Juvenile Center for their lease through the Building Authority and a capital lease with ISA. Councillor Schneider asked if they are eliminating the tax rate. Mr. Burrow replied in the negative and said there is still a tax rate remaining, which will be

found in the amendments to Proposal No. 466, 2004. He said it has been established that the cumulative tax rate can be re-established and increased each year.

Councillor Franklin asked for the Auditor's thoughts on these amendments. Mr. Jones said these amendments are a short term fix to a long term situation. He said he does not recommend these amendments, because in order to restore the Sheriff's vehicles that are not being purchased in 2005, they will have to go to the capital release plan for vehicles, and these funds will depreciate at a rapid rate.

Mr. Burrow said the fourth amendment to Proposal No. 465, 2004 (Exhibit 1C, page 2), is an increase of \$250,000 of revenue in the Public Defender's budget, for a total of \$3,250,000 to their budget.

Councillor Talley moved, seconded by Councillor Oliver, to amend Proposal No. 465, 2004 as per Exhibit 1C. The motion carried by a vote of 7-0.

Councillor Talley moved, seconded by Councillor Oliver, to send Proposal No. 465, 2004, to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 6-1, with Councillor Schneider casting the negative vote.

[Clerk's note: Exhibit 1C – 3C can be found with the original set of minutes in the Council office]

PROPOSAL NO. 466, 2004 determines the tax levy for 2005 for each fund of the Consolidated City and Marion County

Mr. Burrow asked for consent to treat the four amendments to Proposal No. 466, 2004 as one consolidated amendment (Exhibit D). Consent was given by committee members. He said the first amendment to Proposal No. 466, 2004 is a transfer in the Transportation General Fund that was discussed and voted on in Proposal No. 465, 2004. The second amendment reflects the transfer of funds in the Consolidated County Fund. The third amendment reflects the increase in the County General Fund, the miscellaneous revenue changes, and the property tax rate increase that has been transferred to the County General Fund. The fourth amendment reflects the reduction in the property tax rate and the changes of miscellaneous revenues going to the Cumulative Capital Development Fund.

Councillor Talley moved, seconded by Councillor Oliver to amend Proposal No. 466, 2004 as per Exhibit D. The motion carried by a vote of 7-0.

Councillor Schneider said he will not be supporting the amendment to Proposal No. 466, 2004, due to the other amendments he did not support in previous amendments.

Councillor Talley moved, seconded by Councillor Oliver to send Proposal No. 466, 2004, to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 6-1, with Councillor Schneider casting the negative vote.

Councillor Talley moved, seconded by Councillor Oliver, to have all technical errors corrected to reflect the actions of the Council. The motion carried by a vote of 7-0.

CONCLUSION

With no further business pending, and upon motion duly made, the Public Safety and Criminal Justice Committee of the City-County Council was adjourned at 5:16 p.m.

Respectfully submitted,

Mary Moriarty Adams, Chairwoman
Public Safety and Criminal Justice Committee

MMA/as